

**IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

LIFESTYLE COMMUNITIES, LTD., <i>et al.</i>,)	Civil Action 2:22-CV-1775
)	
Plaintiffs,)	
v.)	Judge Sarah D. Morrison
)	
CITY OF WORTHINGTON, OHIO,)	
)	
Defendant.)	Magistrate Judge Elizabeth P. Deavers
)	

PLAINTIFFS' MOTION FOR SUMMARY JUDGMENT

EXHIBIT 22

LIFESTYLE COMMUNITIES

vs.

CITY OF WORTHINGTON

Deposition of

Eric Gardner

January 30, 2024



PRI COURT
REPORTING

614.460.5000 | www.priohio.com | pri@priohio.com

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IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION

LIFESTYLE COMMUNITIES,)	
LTD., ET AL.,)	
)	
Plaintiffs,)	
)	
vs.)	Case No.
)	2:22-cv-1775
CITY OF WORTHINGTON,)	
OHIO,)	
)	
Defendant.)	

DEPOSITION
of ERIC J. GARDNER, MAI, CCIM

Taken at law firm of
VORYS SATER SEYMOUR & PEASE
65 East Gay Street
Columbus, Ohio 43215

on January 30, 2024, at 11:16 a.m.

Reported by: Rhonda Lawrence

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1 APPEARANCES:

2

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STIPULATIONS

It is stipulated by and between
counsel for the respective parties that the
deposition of ERIC J. GARDNER, MAI, CCIM, the
witness herein, called by the Defendants under
the applicable Rules of Federal Civil Court
Procedure, may be taken at this time by the
stenographic court reporter and notary public
pursuant to notice; that said deposition may be
reduced to writing stenographically by the court
reporter, whose notes thereafter may be
transcribed outside the presence of the witness;
and that the proof of the official character and
qualification of the notary is waived.

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INDEX OF EXAMINATION

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BY MR. ASHRAWI:

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1 A. We're in Blue Ash.

2 Q. Blue Ash.

3 ==0==

4 (Deposition Exhibit 1 marked.)

5 ==0==

6 BY MR. ASHRAWI:

7 Q. I'm going to hand you what I think
8 you've already got in front of you and what
9 we'll mark as Gardner Exhibit 1.

10 Mr. Gardner, are you familiar with this
11 document?

12 A. Yes.

13 Q. This is the restricted report that you
14 prepared for this case, correct?

15 A. Yes.

16 Q. Is this a complete and accurate copy of
17 that report? And take your time to look through
18 it.

19 A. Yes.

20 Q. I'm going to ask you a number of
21 questions about this report throughout the
22 deposition, but my first set of questions I want
23 to direct your attention to page 35, which is a
24 court case expert witness log from 2004 to the

1 CERTIFICATE

2 STATE OF OHIO :
3 COUNTY OF FRANKLIN : SS:

4 I, Rhonda Lawrence, a stenographic
5 court reporter and notary public in and for the
6 State of Ohio, duly commissioned and qualified,
7 do hereby certify that the within-named ERIC J.
8 GARDNER, MAI, CCIM was first duly sworn to
9 testify to the truth, the whole truth, and
10 nothing but the truth in the cause aforesaid;
11 that the testimony then given was taken down by
12 me stenographically in the presence of said
13 witness, afterwards transcribed; that the
14 foregoing is a true and correct transcript of
15 the testimony; that this deposition was taken at
16 the time and place in the foregoing caption
17 specified.

18 I do further certify that I am not a
19 relative, employee or attorney of any of the
20 parties hereto; that I am not a relative or
21 employee of any attorney or counsel employed by
22 the parties hereto; that I am not financially
23 interested in the action; and further, I am not,
24 nor is the court reporting firm with which I am
25 affiliated, under contract as defined in Civil
26 Rule 28(D).

27 In witness whereof, I have hereunto
28 set my hand at Columbus, Ohio, on this 13th day
29 of February, 2024.

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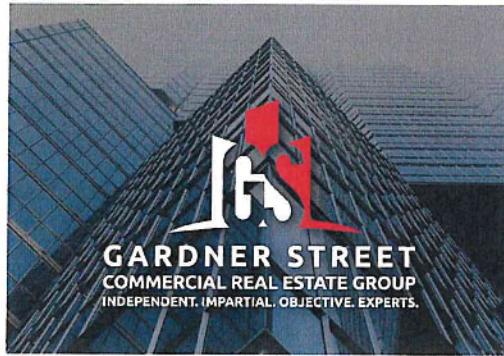
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Rhonda Lawrence

Rhonda Lawrence
Notary Public, State of Ohio

36 My commission expires: October 9, 2028



Real Estate Appraisal & Market Damages Analysis

Restricted Report Format

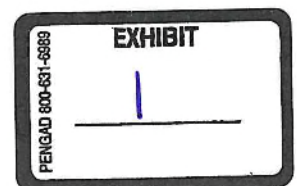
Former UMCH Site
Worthington, Franklin County, OH 43085
37.847 Acres



Prepared For:
Mr. Joseph R. Miller
Partner
Vorys, Sater, Seymour and Pease LLP
52 East Gay Street
Columbus, Ohio 43215

GSCREG Assignment Number: 23-2522

Prepared By: Eric J. Gardner, MAI, CCIM



Subject Address The subject property is commonly known as the former United Methodist Church Childrens Home (UMCH)

 Located along the West side of North High Street, Worthington, Franklin County, OH 43085

Date of Report June 15, 2023

Effective Date of Value December 2022

Stabilized Date of Value January 2026

Site Visit Date Multiple times between April 24, 2023 – June 11, 2023

Subject Property

Key Factors			
Parcel ID	Address	Acreage	SF
100-006774-00	N. High Street	37.350	1,626,966
100-002425-00	47 Larrimer Avenue	0.263	11,456
100-002427-00	57 Larrimer Avenue	<u>0.234</u>	<u>10,193</u>
Total		37.847	1,648,615
Ownership		Worthington Campus, LLC	
Zoning			
Parcel ID	Zoning Definition	Acreage	Zoning Jurisdiction
100-006774-00	C-3, Institutions and Offices	5.650	City of Worthington
	C-2, Community Commercial	0.700	City of Worthington
	S-1, Special	31.000	City of Worthington
100-002425-00	R-10, Low Density Residence	0.263	City of Worthington
100-002427-00	R-10, Low Density Residence	<u>0.234</u>	City of Worthington
Total		37.847	

Client(s) Mr. Joseph R. Miller, Vorys, Sater, Seymour and Pease LLP

Purpose and Intended Use The purpose of the Appraisal was to develop an opinion of the retrospective market value as of the effective dates shown throughout this report of the fee simple interest of the subject property using multiple valuation scenarios and a resulting analysis owed to land owner. A personal tour of the property was performed, and the analyses used to form an opinion of value are contained in the following appraisal report. The intended use of the appraisal is to be used by Mr. Joseph R. Miller, Vorys, Sater, Seymour and Pease LLP. This assignment has been prepared by an Ohio Certified General Appraiser and an MAI Designated Member of The Appraisal Institute in an impartial, objective, and independent manner.

Intended Use For use in a Court Case

Intended User(s) Mr. Joseph R. Miller, Vorys, Sater, Seymour and Pease LLP

Property Rights Fee Simple

Type of Value Market Value – Subject to multiple scenarios and effective dates

Definition of Market Value

According to the Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, 34, 42 Definitions ([.h].), the definition of Market Value is as follows: *The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

- a. *Buyer and seller are typically motivated;*
- b. *Both parties are well informed or well advised, and acting in what they consider their best interests;*
- c. *A reasonable time is allowed for exposure in the open market;*
- d. *Payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and*
- e. *The price represents normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

Conditions of Appraisal

This assignment is subject to the following Extraordinary Assumptions:

According to The Dictionary of Real Estate Appraisal, 6th Edition – Pages 83-84, Published by The Appraisal Institute:

An Extraordinary Assumption is defined as: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, could alter the appraiser's opinions or conclusions.

Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

1. In Scenario A, the Before situation, we have read and considered numerous plans and scenarios put forth by Lifestyle Communities (LC). These plans and scenarios include detailed cost and value calculations. It is our opinion that these calculations are market based and are considered to be commercially reasonable based on current market conditions as of the effective date of value. We are making the Extraordinary Assumption that LC is planning an investment within the range of **\$240 to \$280 Million** in the property. Based on commercially reasonable market standards for the risk and return for this type of development the expected market value within about four (4) +/- years from the start of construction would be within the range of **\$340 to \$360 Million**.
2. In lieu of the full damages calculated within this analysis, the damages could be significantly reduced by the City of Worthington by approving commercially reasonable zoning to allow for a Planned Unit Development (PUD) for a mixed-use project that is considered to be commercially reasonable, in demand and market based. This zoning would allow the ownership group to develop the property to current market tastes and standards that would meet the tests of financial feasibility and marketability and to serve and fill a need in the community.

Sale & Listing History

To our knowledge the subject property is not listed for sale or lease or subject to any pending offers as of the effective date of value.

Subject property last transferred as shown below:

Acquisition	
Seller	The United Methodist Children's Home West Ohio Conference of The United Methodist Church
Buyer	Lifestyle Real Estate Holdings, Ltd.
Parcel ID	100-006774-00
Sale Date	12/29/2020
Sale Price	\$5,200,000
Site Size (Acres)	37.35
Sales Price/Acre	\$139,224

It is our understanding that the subject property was exposed to the open market by the seller, for a period of several years prior to this sale. The buyer purchased this property with the intention of developing a mixed-use development on the site. Prior to the sale date, the buyer, and their representatives, conducted typical and customary due diligence that also included local community involvement and input.

Scope of Work

In preparing this assignment, we:

- Toured the subject property and the surrounding area;
- Reviewed current market trends;
- Gathered information on comparable land allocations via the county auditor sites in the region;
- Gathered information on comparable land sales;
- Toured other LC Communities in Columbus and Nashville;
- Considered the market conditions and activities with active market participants familiar with the regional real estate and capital markets;
- Formed an opinion of market value for the subject property using multiple scenarios.

The table below summarizes the information requested by the Appraiser as part of this assignment and what was provided by the client and/or owner:

Real Estate Appraisal Information Request				
Property Data Requested	Data Provided			Comments
	Yes	No	N/A	
Legal description	X			
Copies of current tax bills	X			County Auditor
Details on any subject property transfers in the past three (3) years	X			
Current listing information			X	
Environmental reports pertaining to subject	X			
Site plan	X			LC Original Application
Plat map	X			
Deed	X			
Easement agreements	X			
Copy of ground lease			X	
Building plans and specifications	X			The UMCH Site Worthington
Copies of all executed leases or detailed rent roll			X	
Three-year history of income & expenses			X	
Details of planned capital expenditures	X			Summary of Cost Figures

Report Option

This report has been prepared in Restricted format which is intended to comply with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Standards Board of the Appraisal Foundation, specifically Standards Rule 2.2(b) of the 2022-23 edition.

Highest and Best Use (HBU) of the Land – As though Vacant and available for development:

Scenario A: Mixed Use development. Uses include: Apartments, townhomes, single family lots, medical office space, retail and general commercial space. Modern mixed use developments in similar markets also tend to include some green space including walking trails integrated into the overall development plan.

Scenario B: Residential, Commercial/Medical Office and Green Space development

Most likely user/buyer:

Scenario A: Developer/Investor

Scenario B: Under this scenario there will likely be multiple buyers including the following:

- R-10, Residential: Home builder
- C-2, C-3, Commercial/Medical Office: Local developer
- S-1, Green Space: Local municipality or park board

Exposure Time: The Appraiser's opinion of a commercially reasonable exposure time for the subject property is 12 months or less from the effective date of value.

Marketing Time: The appraiser's opinion of a commercially reasonable marketing time period for the subject property is 12 months or less from the effective date of value.

Significant Market and Property Specific Factors Influencing the Subject Property

The top positive (+) factors influencing the subject property are:

- Site has close proximity to I-270
- Site is located along a major thoroughfare – High Street
- Site benefits from strong demographics within a well-established community
- Property is located within the Columbus, Ohio MSA – State Capital
- Site is surrounded by retail, office and residential uses
- Topography is generally level
- Strong demand for new residential construction in the area

The most negative (-) or risk factors affecting the subject property are:

- Site is irregular in shape
- Capital Markets have slowed as interest rates have increased

Opinion of Value Before – Scenario A

This scenario assumes a PUD zoning to allow for a mixed-use development.

Land has value as it provides potential utility as the site for a structure, recreational use, agricultural tract, right of way for transportation or some other use.

There are multiple methods to develop an opinion of value of site value. The sales comparison approach is usually the preferred method for developing an opinion of site value. When there are not enough sales of similar parcels to the application of the sales comparison, alternative methods such as market extraction, allocation, land residual analysis, and various income capitalization techniques may be used. In this case, we think that the Land Allocation Method is the best method to project the market value of the site. The land allocation method is used on a regular basis by Assessors, Insurance Companies, Accounting Firms, and Lenders to allocate the value between land and improvements when analyzing real estate.

As an example, a single-family house with a total market value of \$100,000 (100%) may have the underlying site value estimated at \$20,000 (20%) and the improvements valued at \$80,000 (80%) by the local assessor's office and /or an insurance company or a bank for various reasons.

Summary of the Land Allocation Method

According to The Appraisal of Real Estate, 13th Edition – Page 367, Published by The Appraisal Institute:

“The allocation method is based on the principle of balance and the related concept of contribution. Both affirm that there is a normal or typical ratio of land value to property value for specific categories of real estate in specific locations. Meaningful support for an allocation ratio may be derived from a variety of sources:

- *Mass appraisals prepared by assessors*
- *Observed patterns over time in an area*
- *Consultation with developers who sell improved properties and can allocate sale prices between the land and the improvements based on their costs*

The allocation method has its greatest benefit and accuracy when estimating the value of residential subdivision lots. This is the most common application of this technique and can produce accurate results if sufficient sales data is available. In situations where there is limited sales data, the allocation method does not produce conclusive value indications, but it can be used to establish approximate land value when the number of vacant land sales is inadequate.

The allocation method is based on typical ratios of land value to total property value for specific categories of real estate in specific locations. Allocation is useful when transactional data on comparable sites in the immediate area is not available. The typical land value can be inferred from the price range of improved properties in the immediate area if an appropriate allocation ratio can be established in the community for a specific property type.”

In our analysis, we analyzed apartments, townhomes, single family residence and office properties within Franklin County, Ohio. All properties were in the Worthington CSD. We also analyzed Lifestyle Centers within Ohio. We gathered the current assessed land and improvement values from the county auditor and from those figures we were able to calculate the percentage (%) allocated for land of each property. The values concluded in this analysis do not include any type of TIF or special financing or other incentives. Below are the properties that were considered in deriving the land allocation percentage range:

Apartments

Apartment Land Allocation Per Franklin County Auditor						
Parcel ID	Address	Land	Improvements	Total	Land Allocation %	
1 610-289140-00	351 Hutchinson Avenue, Columbus, Franklin County, Ohio	\$1,903,200	\$13,396,800	\$15,300,000	12%	
2 010-256846-00	6374 Busch Blvd., Columbus, Franklin County, Ohio	\$2,556,000	\$11,364,000	\$13,920,000	18%	
3 010-046129-00	6175 Northgate Road, Columbus, Franklin County, Ohio	\$1,668,500	\$6,971,500	\$8,640,000	19%	
4 610-285927-00	727-767 Worthington Woods Blvd, Columbus, Franklin County, Ohio	\$2,080,800	\$16,807,200	\$18,888,000	11%	

Apartment Land Allocation Range	
Min	11%
Max	19%
Average	17%

Townhomes

Townhomes Land Allocation Per Franklin County Auditor						
Parcel ID	Address	Land	Improvements	Total	Land Allocation %	
1 100-005482-00	212 St. Antoine Drive, Worthington, Franklin County, Ohio	\$39,600	\$166,400	\$206,000	19%	
2 100-005734-00	251 St. Antoine Drive, Worthington, Franklin County, Ohio	\$39,600	\$197,700	\$237,300	17%	
3 100-005412-00	115 St. Michelle Drive, Worthington, Franklin County, Ohio	\$39,600	\$145,500	\$185,100	21%	
4 100-005710-00	359 North Street, Worthington, Franklin County, Ohio	\$22,000	\$129,300	\$151,300	15%	
5 100-006694-00	6337 Mar-Min Court, Worthington, Franklin County, Ohio	\$118,800	\$256,100	\$374,900	32%	

Townhomes Land Allocation Range	
Min	15%
Max	32%
Average	21%

Single Family Residence

Single Family Residence Land Allocation Per Franklin County Auditor						
Parcel ID	Address	Land	Improvements	Total	Land Allocation %	
1 100-004370-00	215 Highgate Avenue, Worthington, Franklin County, Ohio	\$120,000	\$466,600	\$586,600	20%	
2 100-004436-00	6500 Evening Street, Worthington, Franklin County, Ohio	\$113,500	\$244,000	\$357,500	32%	
3 100-003981-00	100 Longfellow Avenue, Worthington, Franklin County, Ohio	\$106,800	\$225,400	\$332,200	32%	
4 100-005540-00	217 Greenbrier Court, Worthington, Franklin County, Ohio	\$115,900	\$442,200	\$558,100	21%	
5 100-005544-00	287 Greenbrier Court, Worthington, Franklin County, Ohio	\$156,000	\$367,800	\$523,800	30%	
6 100-005542-00	247 Greenbrier Court, Worthington, Franklin County, Ohio	\$122,600	\$514,700	\$637,300	19%	

Single Family Residence Land Allocation Range

Min	19%
Max	32%
Average	26%

Office

Office Land Allocation Per Franklin County Auditor						
Parcel ID	Address	Land	Improvements	Total	Land Allocation %	
1 610-209009-00	445 Hutchinson Avenue, Columbus, Franklin County, Ohio	\$3,318,100	\$17,911,900	\$21,230,000	16%	
2 610-218371-00	771-777 Dearborn Park Lane, Columbus, Franklin County, Ohio	\$1,306,600	\$4,617,500	\$5,924,100	22%	
3 610-192340-00	100 E. Campus View Blvd., Columbus, Franklin County, Ohio	\$2,206,200	\$5,163,800	\$7,370,000	30%	
4 610-213587-00	7575 Huntington Park Drive, Columbus, Franklin County, Ohio	\$3,135,700	\$6,373,700	\$9,509,400	33%	
5 610-209009-00	445 Hutchinson Avenue, Columbus, Franklin County, Ohio	\$3,318,100	\$17,911,900	\$21,230,000	16%	

Office Land Allocation Range

Min	16%
Max	33%
Average	23%

Lifestyle Centers

Lifestyle Centers within Ohio Per County Auditor						
Property Name	Location	Land Value	Improved Value	Total Assessment	% Allocated for Land	
1 Easton Square	Columbus, Franklin County, Ohio	\$13,875,600	\$42,715,900	\$56,591,500	25%	
2 Easton Town Center	Columbus, Franklin County, Ohio	\$6,899,800	\$22,976,600	\$29,876,400	23%	
3 The Banks	Cincinnati, Hamilton County, Ohio	\$3,223,250	\$12,556,760	\$15,780,010	20%	
4 Deerfield Towne Center	Mason, Warren County, Ohio	\$8,815,300	\$45,306,750	\$54,122,050	16%	
5 Austin Landing	Miamisburg, Montgomery County, Ohio	\$16,777,910	\$81,336,180	\$98,114,090	17%	

Lifestyle Center Land Allocation Range

Min	16%
Max	25%
Average	20%

Conclusion

After reviewing and considering the above land allocation percentages for the different property types, we concluded an appropriate and market supported commercially reasonable land allocation range as follow:

Summary of Land Allocation		
Property Type	Land Allocation Ranges	
	Low	High
Apartments	11%	19%
Townhomes	15%	32%
Single Family	19%	32%
Total		
Office	16%	33%
Lifestyle Centers (Multi-Family/Retail, Office/Commercial)	16%	25%
Average of All Property Types	15%	28%
GSCREG Conclusion	19%	24%

To determine the opinion of value for the land in the before scenario, we considered the projected stabilized value of the entire development and applied a land allocation percentage conclusion to arrive at the stabilized land value for the subject property. Once we determined the projected stabilized land value of the subject property, we calculated the present value of the land to arrive at the final opinion of before value for the land. Below are our calculations:

Opinion of Value - Scenario A					
Effective Date: January-26					
	Projected Stabilized Value		Land Allocation %		Total Rounded
Value Range - Low	\$340,000,000	x	19%	=	\$64,600,000 \$64,600,000
Value Range - High	\$360,000,000	x	24%	=	\$86,400,000 \$86,400,000
Effective Date: December-22					
	Stabilized (FV)		Present Value (PV)*		Present Value (Rounded)
Value Range - Low	\$64,600,000		\$47,482,928		\$47,500,000
Value Range - High	\$86,400,000		\$63,506,579		\$63,500,000
Final Opinion of Before Value					\$55,500,000

*Rate = 8%, Number of years 4

Discount Rates according to the PWC Real Estate Investor Survey have ranged from 4.75% to 10.0% for the National Apartment Market over the past several years. Therefore, a discount rate of 8% applied in this analysis is commercially reasonable and well supported.

National Apartment Market

While some investors are being more patient in 2023, others plan to target new markets. "We will shift our focus from some southern cities with softening fundamentals to gateway cities this year," remarks an investor.

- "It is a buyers' market so we are still looking for value-added acquisition opportunities," adds an investor.
- Investors cite primary metros like Chicago and Washington, DC as prospects, as well as cities with strong demographics like Austin, Raleigh-Durham, and Salt Lake City.
- The outlook for year-one market rent growth dips from 3.89% to 3.72% this quarter, but it still exceeds this market's five-year average of 2.36% and ten-year average of 2.59%.

FORECAST VALUE CHANGE (NEXT 12 MONTHS):

Range: (10.0%) – 5.0%

Average: (0.9%)

KEY 1Q23 SURVEY STATS*

Total Vacancy Assumption:

Average 4.7% ▼

Range 1.0% to 12.0%

Months of Free Rent(1):

Average 0.9 =

Range Up to 2

% of participants using 50.0% ▼

Market Conditions Favor:

Buyers 25.0% ▲

Sellers 0.0% ▼

Neither 75.0% ▼

* ▼, ▲, = change from prior quarter
(1) on a ten-year lease

Table 26

NATIONAL APARTMENT MARKET

First Quarter 2023

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)^a					
Range	5.50% – 9.00%	4.75% – 10.00%	5.00% – 10.00%	5.25% – 10.00%	5.25% – 10.00%
Average	6.71%	6.86%	6.62%	7.04%	7.23%
Change (Basis Points)		-15	+9	-33	-52
OVERALL CAP RATE (OAR)^a					
Range	3.50% – 8.00%	3.25% – 8.00%	3.00% – 7.00%	3.50% – 7.00%	3.75% – 8.50%
Average	5.01%	4.89%	4.40%	5.14%	5.33%
Change (Basis Points)		-12	+61	-13	-32
RESIDUAL CAP RATE					
Range	4.00% – 8.00%	4.00% – 8.00%	3.50% – 7.00%	4.25% – 7.00%	4.00% – 8.50%
Average	5.35%	5.28%	4.81%	5.51%	5.66%
Change (Basis Points)		+10	+57	-13	-28
MARKET RENT CHANGE^b					
Range	0.00% – 10.00%	0.00% – 10.00%	0.00% – 15.00%	0.00% – 6.00%	(2.00%) – 5.00%
Average	3.72%	3.89%	3.84%	2.41%	2.42%
Change (Basis Points)		-17	-12	-131	+130
EXPENSE CHANGE^b					
Range	0.00% – 5.00%	0.00% – 8.00%	0.00% – 5.00%	0.00% – 3.00%	2.00% – 3.00%
Average	3.42%	3.42%	3.00%	2.60%	2.71%
Change (Basis Points)		0	+42	-82	-71
MARKETING TIME^c					
Range	1 – 12	1 – 12	1 – 12	1 – 9	1 – 9
Average	4.5	4.6	4.3	3.9	3.6
Change (▼, ▲, =)		▲	▲	▲	▲

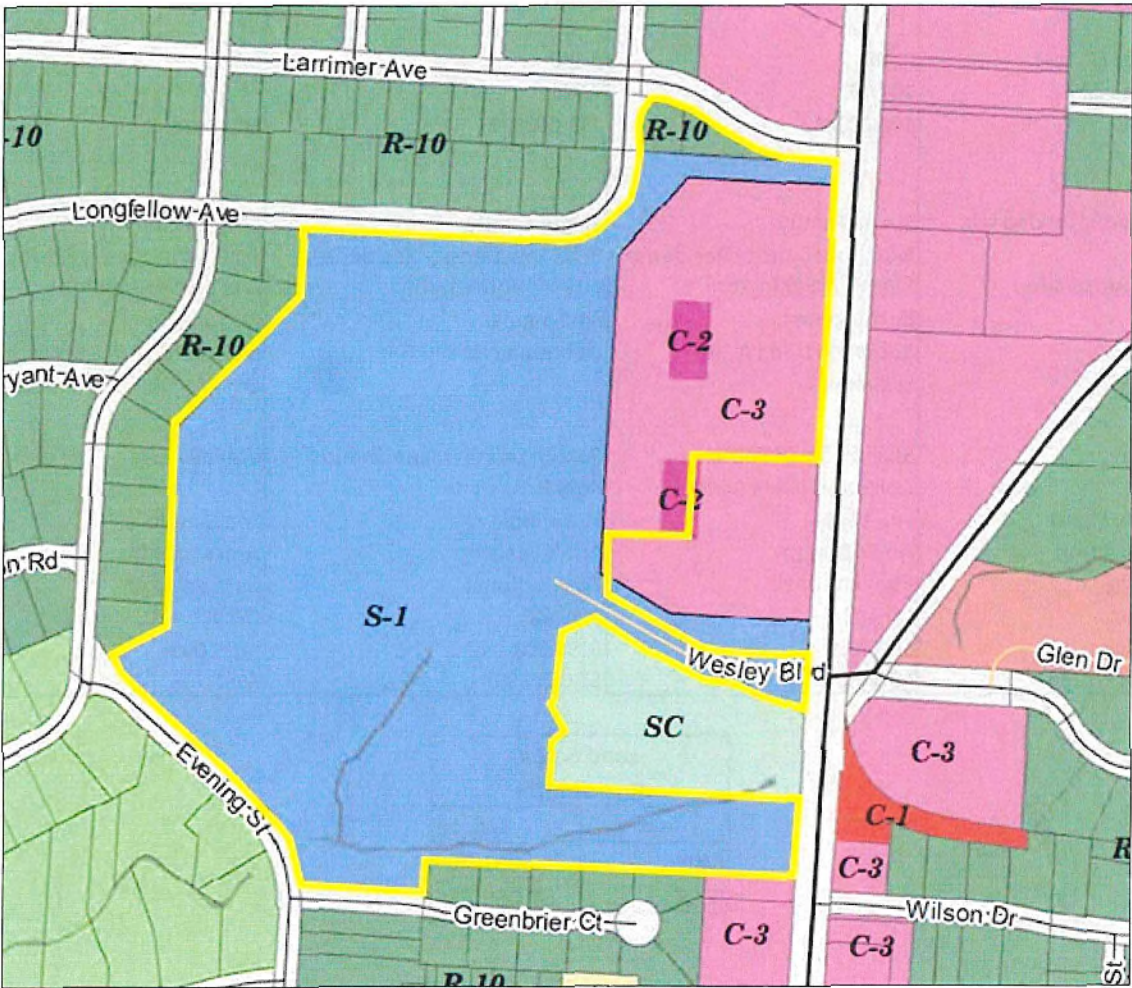
a. Rate on unleveraged, all-cash transactions; b. Initial rate of change; c. In months

Opinion of Value After – Scenario B

This scenario assumes zoning will allow the following zoning breakdown:

Zoning			
Parcel ID	Zoning Definition	Acreage	Zoning Jurisdiction
100-006774-00	C-3, Institutions and Offices	5.650	City of Worthington
	C-2, Community Commercial	0.700	City of Worthington
	S-1, Special	31.000	City of Worthington
100-002425-00	R-10, Low Density Residence	0.263	City of Worthington
100-002427-00	R-10, Low Density Residence	0.234	City of Worthington
Total		37.847	

Below is a map to detail the multiple zoning types for the subject site. The subject site is outlined in yellow:



For this scenario, we have used the sales comparison approach to value the site. In our analysis, we will be considering comparable land sales for residential land, office/commercial/medical land and green space (park land). Ample land sales were available for consideration for each zoning type to review for this analysis. The sales were chosen based on a similar highest and best use within the regional market since specific zoning varies from each local market. However, due to the oppressive nature of the S-1, Special zoning classification, which covers a significant portion of the property, there is virtually no market for the property as a whole.

Residential Land Sales

Land Sales - Residential			
Land Sale	Land Sale 1	Land Sale 2	Land Sale 3
Address	193 Franklin Avenue	131 W. Southington Avenue	285 McCoy Avenue
City	Worthington	Worthington	Worthington
County	Franklin	Franklin	Franklin
State	Ohio	Ohio	Ohio
Site Area (Acres)	0.230	0.180	0.340
Site Area (SF)	10,019	7,841	14,810
Parcel ID	100-000432	253-002683	100-001498
Proposed/Intended Use	Single Family	Single Family	Single Family
Zoning	R-10, Low Density Residence	R-10, Low Density Residence	R-10, Low Density Residence
Zoning Jurisdiction	City of Worthington	City of Worthington	City of Worthington
Shape	Rectangular	Rectangular	Rectangular
Grantor	Roomann Linda A Slutz William L	Lieberman Harold G Jr	Blanchard Kate S Carpenter Craig
Grantee	Sharvin David Patrick Goldstein Jamie Sara	Paxton Lauren Marie Shields Cory R	Wallake Ezra
Property Rights	Fee Simple	Fee Simple	Fee Simple
Sale Condition	Arm's Length	Arm's Length	Arm's Length
Financing	Conventional	Conventional	Conventional
Sale Date	July-23	May-22	October-20
Sale Price	\$190,000	\$190,000	\$225,000
Sale Price/Acre	\$826,087	\$1,055,556	\$661,765

Land Sales Residential	
	\$/Acre
Min	\$661,765
Max	\$1,055,556

Commercial/Medical Office Land Sales

Land Sales - Commercial/Medical Office				
Land Sale	Land Sale 1	Land Sale 2	Land Sale 3	Land Sale 4
Address	Wilson Bridge, W of High	5220 Cornerstone North Blvd	5285 Kings Mills Road	7249 Liberty Way
City	Worthington	Centerville	Mason	West Chester
County	Franklin	Greene	Warren	Butler
State	Ohio	Ohio	Ohio	Ohio
Site Area (Acres)	3.325	6.300	1.189	1.643
Site Area (SF)	144,837	274,428	51,793	71,569
Parcel ID	100-006791-00	L490001000010003400	16-24-290-004	M5610020000005
Proposed/Intended Use	Office/Retail	Cooper's Hawk Winery &	Commercial/retail	Medical Office
Zoning	C4	B-PD/Overlay CC	B-3	O-1
Zoning Jurisdiction	City of Worthington	City of Centerville	City of Mason	West Chester Township, Ohio
Shape	Irregular	Irregular	Rectangular	Rectangular
Grantor	He Hari, Inc.	Coopers Hawk Centerville , LLC	Kings Mills Outlot, LLC	Kimberly K. Daugherty Trustee for Shirley Farmer Revocable Trust
Grantee	He Hari Development & Sagar Patel c/o Alliance Hospitality	National Retail Properties, Inc.	Guggenheim Development Services,	RBA, Holdings, Ltd.
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Sale Condition	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Financing	Cash	Cash	Cash	Conventional
Sale Date	December-19	February-19	June-21	April-19
Sale Price	\$650,000	\$2,513,600	\$500,000	625,000
Sale Price/Acre	\$195,489	\$398,984	\$420,521	\$380,402

Land Sales	
Commercial/Medical Office	
	\$/Acre
Min	\$195,489
Max	\$420,521

Green Space Land Sales

Land Sale	Land Sale 1	Land Sale 2	Land Sale 3	Land Sale 4
Address	7389 Braun Road	5277 East Broad Street	Groveport Road, ES Rager Road	1570 Rohr Road
City	Madison Township	Columbus	Madison Township	Hamilton Township
County	Franklin	Franklin	Franklin	Franklin
State	Ohio	Ohio	Ohio	Ohio
Site Area (Acres)	282.784	36.310	73.751	55.980
Site Area (SF)	12,318,071	1,581,664	3,212,594	2,438,489
Parcel ID	180-000205-00; 180-000261-00; 180-000929-00	010-109420-00	180-005403-00	150-001515-00
Proposed/Intended Use	Park Land	Park Land	Park Land	Park Land
Zoning	R, Rural	R1 Residential; H-35 Height District	R, Rural	R, Rural
Zoning Jurisdiction	Franklin County, Ohio	City of Columbus	Franklin County, Ohio	Franklin County, Ohio
Shape	Irregular	Irregular	Irregular	Irregular
Grantor	Donna & John Miller Trust	Catholic Diocese of Columbus/Robert Brennan Bishop	James & Dawn Stevenson	YMCA of Central Ohio
Grantee	Board of Park	City of Columbus	Board of Park	Board of Park
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Sale Condition	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Financing	Cash	Cash	Cash	Cash
Sale Date	November-21	August-21	September-19	May-20
Sale Price	\$2,900,000	\$250,000	\$26,257	1,500,000
Sale Price/Acre	\$10,255	\$6,885	\$7,136	\$26,795

Land Sales Green Space	
Min	\$6,885
Max	\$26,795

Conclusion

Opinion of Value - Scenario B						
Effective Date: December-22						
<u>Land Value - Residential</u>	<u>Land Area (Acre)</u>		<u>\$/Acre</u>		<u>Total</u>	<u>Rounded</u>
Value Range - Low	0.497	x	\$700,000	=	\$347,900	\$348,000
Value Range - High	0.497	x	\$800,000	=	\$397,600	\$398,000
Opinion - Residential Land						\$373,000
<u>Land Value - Commercial/Medical Office</u>	<u>Land Area (Acre)</u>		<u>\$/Acre</u>		<u>Total</u>	<u>Rounded</u>
Value Range - Low	6.350	x	\$325,000	=	\$2,063,750	\$2,060,000
Value Range - High	6.350	x	\$425,000	=	\$2,698,750	\$2,700,000
Opinion - Commercial/Medical Office						\$2,380,000
<u>Land Value - Green Space</u>	<u>Land Area (Acre)</u>		<u>\$/Acre</u>		<u>Total</u>	<u>Rounded</u>
Value Range - Low	31.000	x	\$12,500	=	\$387,500	\$390,000
Value Range - High	31.000	x	\$25,000	=	\$775,000	\$780,000
Opinion - Green Space Land						\$585,000
Final Opinion - Land Value for Total Site						\$3,338,000

Final Opinion of Value

Our conclusion of value is based on the different highest and best use scenarios for the subject site. Below are our conclusions:

Conclusion of Values		
	<u>HBU</u>	<u>Whole \$</u>
Opinion of Value - Scenario A	Mixed Use	\$55,500,000
Opinion of Value - Scenario B	Residential/Office/Commercial/Green Space	<u>\$3,338,000</u>
Difference / Damages		\$52,162,000

Total Temporary Regulatory Take

As a result of the total temporary regulatory taking, it is my opinion that the owner was forced to incur carrying cost as a result of the duration of the take. My conclusions of the amount due the owner consist of the items as detailed below:

Reimbursement of Carrying Cost				
December 13, 2021 - June 15, 2023 (18 Months)				
Yearly Property Taxes	2021	2022	2023	
All Parcels - Property Taxes	\$86,066	\$290,308	\$120,353	
All Parcels - Insurance	\$1,813	\$1,813	\$1,813	
Total	\$87,879	\$292,121	\$122,166	
				Total
# of Months per Year	0.5	12	5.5	18.0
Total Reimbursement of Carrying Cost Per Year	\$3,662	\$292,121	\$55,993	\$351,776

Source: Ownership Group

Total Temporary Regulatory Take & Property Taxes	
Value Conclusion - Scenario A	\$55,500,000
Annual Ground Rent	10%
Annual - Whole Dollars	\$5,550,000
Monthly - Ground Rent	\$462,500
Number of Months	18
Total Temporary Ground Rent	\$8,325,000
Plus: Total Estimated Carry Costs*	\$351,776
Total Amount Due to Owner - Temporary & Taxes	\$8,676,776

*Source: Ownership Group

Photographs of Subject Property – Taken by Eric J. Gardner April 24, 2023



View from near the center of site



View from near the center of site



View from near the center of site



View from near the center of site



N. High Street driveway entrance facing West



N. High Street driveway entrance view looking North



N. High Street driveway entrance view looking South



View of subject site from N. High Street driveway



View near driveway entrance from N. High Street



View from N. High Street Driveway



Paved area near middle of site



Paved area and driveway near middle of site



Northern area of Subject Site



Northern Area of Subject Site



Subject Site



Subject Site



Subject Site – water & utilities present



Subject Site – area of recently razed buildings



Subject Site



Subject Site – area of recently razed buildings



Subject Site – area of sidewalks for previous use



Subject Site – area of sidewalks for previous use



Subject Site – fire hydrant on site



Subject site – driveway for previous use



Subject site – driveway for previous use



Subject site – former building pad area

LC New Albany property to demonstrate similar improvements recently completed by developer. The photographs below were taken by Eric J. Gardner, June 11, 2023.





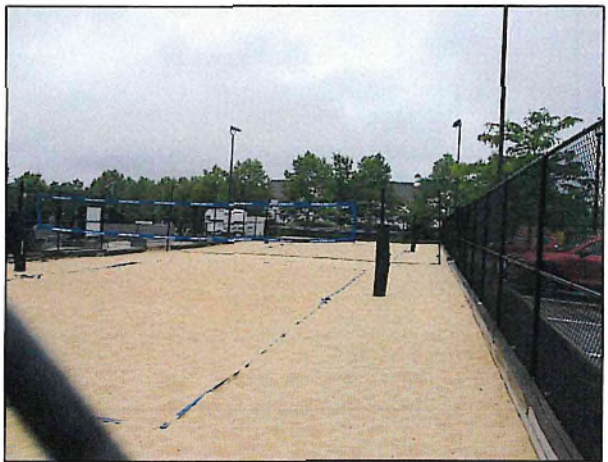
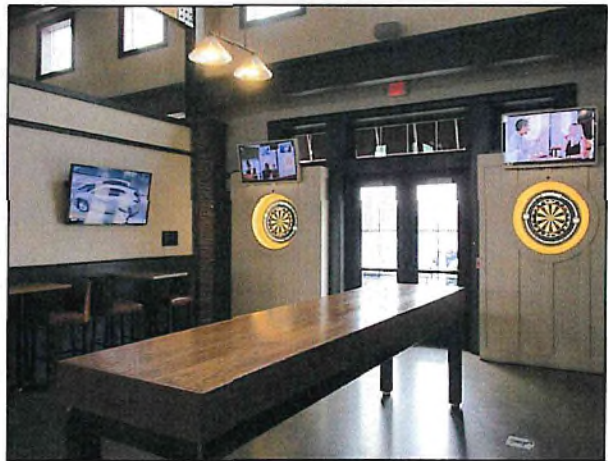














RiskMeter

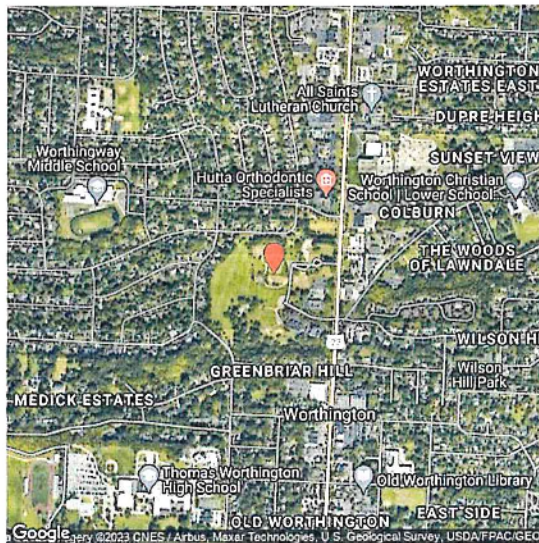
47 LARRIMER AVE WORTHINGTON, OH 43085-2454

LOCATION ACCURACY: *Map data is approximate*

Flood Zone Determination Report

Flood Zone Determination: **OUT**

COMMUNITY	390181	PANEL	0157K
PANEL DATE	June 17, 2008	MAP NUMBER	39049C0157K



- X500 or B Zone
- A Zone
- V Zone
- D Zone
- Floodway
- CBRA

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Report generated May 8, 2023 by egardner@gscreg.com

Page 2 of 2

AN APPRAISER LICENSE/CERTIFICATE
has been issued under ORC Chapter 4763 to:

NAME:

Eric J Gardner

LIC/CERT NUMBER:

000419444

LIC LEVEL:

Certified General Real Estate Appraiser



Department
of Commerce

Division of Real Estate
& Professional Licensing

CURRENT ISSUE DATE:

03/08/2023

EXPIRATION DATE:

04/01/2024

USPAP DUE DATE:

04/01/2024



Statement of Compensation

The Gardner Street Commercial Real Estate Group LLC is being compensated for all investigative and analysis work on this matter at the following hourly billable rates:

Professional Staff Members	\$/Hour
Eric J. Gardner, MAI, CCIM	\$395.00
Certified General Appraiser	\$295.00
Senior Analyst	\$245.00
Junior Analyst	\$205.00
Property and Market Research	\$145.00

All deposition testimony will be paid on a fixed fee basis as outlined below:

	Duration	Fixed Fee
½ Day	Up to 4 Hours	\$3,000
¾ Day	4 – 6 Hours	\$4,000
Full Day	6 – 8 Hours	\$5,000

All courtroom testimony will be billed at \$450.00 per hour. The Gardner Street Commercial Real Estate Group LLC also invoices any out-of-pocket expenses, including but not limited to printing and reproduction costs, postage and delivery fees, permit fees, photography and renderings expenses, and travel expenses.

9902 Carver Road, Suite 101 | Cincinnati, OH 45242 | 513.880.9900

Eric J. Gardner, MAI, CCIM Court Case Expert Witness Log 2004 - Current

In addition to the below cases, I have provided expert witness testimony for numerous real estate tax appeal cases at both the Board of Revision & Ohio Board of Tax Appeals. I have appeared in Hamilton, Butler, Warren, Clermont, Montgomery, Summit, Franklin, Allen & Stark counties in Ohio.

Line	Date	Name of Case / Property	Presented Testimony To	Nature of the Case	Client
1	Nov-04	Stonelick Twp. vs. Grand Communities	Clermont County	Land Use/Density	Stonelick Twp. Bd. Of Trustees/Bob Surdyk, Esq.
2	Nov-04	TDELL, LLC - Huber Heights	Montgomery County	Condemnation Case	Statman, Harris Siegel & Eyrich
3	Mar-05	Horn/Taylor Property	ODOT - Deposition Only	Condemnation Case	Horn/Taylor/RHG
4	Apr-05	Ravenswood Apartments	Bankruptcy Court - Hamilton County	Market Value Analysis	Dinsmore & Shohl
5	Jun-05	Leach vs. ODOT	ODOT - Deposition Only	Condemnation Case	Mark Leach/RHG
6	Jan-05	Buffalo Wild Wings - West Chester	Hamilton County - Family Law Services	Divorce Case	Dominic Mastruserio, Esq.
7	May-06	Gunlock vs. ODOT (Ross County)	ODOT - Deposition Only	Condemnation Case	Gunlock Family / Stan Bender, Esq.
8	May-06	Spirit of America Building - Bernard v. Bernard	Clermont County - Family Law Services	Divorce Case	Mike Bernard
9	Sep-06	Confidential - Pending	Colerain Twp. Bd of Trustees	Zoning Case	JT
10	Dec-06	EnviroTest Sites	Deposition Only	Market Value Analysis	McMahon DeGulis, LLP
11	Sep-08	Superior Marine vs. ODOT - Lawrence County, O	Lawrence County Common Pleas Court	Condemnation Case	Superior Marine / Tepe
12	Feb-09	ODOT vs. Dirus	Warren County Common Pleas Court	Condemnation Case	Richard H. Glazer, Esq.
13	Apr-09	Stewart / Bergmann Farms	Boone County, KY - Common Pleas Court	Partition Case	DBL Law Firm - Todd McMurtry, Esq.
14	Apr-09	Washington Twp. Vs. White Oak	Deposition Only	Highest and Best Use	Washington Twp. / Bob Surdyk, Esq.
15	Jun-09	Mowrey vs. REX	Federal Commission	Condemnation Case	Phillip Sever, Esq.
16	Jun-09	Bates vs. REX	Federal Commission	Condemnation Case	Phillip Sever, Esq.
17	Jul-09	UPS Property - Dayton Airport	Deposition Only	Market Value Analysis	Frost Brown Todd / UPS
18	Sep-10	McKinley vs. Rex	Federal Commission	Condemnation Case	Richard H. Glazer, Esq.
19	Oct-10	Faith Lutheran Site	Hamilton County Court of Common Pleas	Condemnation Case	Richard H. Glazer, Esq.
20	Oct-10	Hannaford Condo Building	Kenton County Court of Common Pleas	Market Value Analysis	DBL
21	Feb-11	Gibson Greeting Building	Hamilton County Court of Common Pleas	Market Value Analysis	Strauss & Troy
22	Mar-11	Queensgate Terminals	Hamilton County Court of Common Pleas	Market Value Analysis	Taft Law
23	Oct-12	Gator Milford vs. Clermont County TID	Clermont County Court of Common Pleas	Condemnation Case	Santen & Hughes
24	Nov-12	Vine Street Hill Commercial Site	ODOT - Binding Arbitration	Condemnation Case	Jay Bennett, Esq.
25	Jun-13	Charlie's Tires	Lawrence County Common Pleas Court	Condemnation Case	Richard B. Meyers, Esq.
26	Aug-13	Fred & Donna DeBra Site	Hamilton County Court of Common Pleas	Condemnation Case	C. Francis Barrett, Esq.
27	Aug-14	American Diversified Dev. Inc. vs. Sanitation District No. 1 of Campbell, Kenton, Boone	Deposition Only	Condemnation Case	Wolnitzek, Rowekamp & DeMarcus
28	Jan-15	Lima Chester LLC vs. Third Lima Corp., et al.	Deposition Only	Owner/Tenant Dispute	Keating Muething & Klekamp
29	May-15	Champion Signs vs. Dee Sign, et al.	Federal Court - San Diego, CA	Owner/Tenant Dispute	Stoel Rives LLP
30	Aug-15	Brown Properties vs. KDOT	KDOT - Deposition Only	Condemnation Case	Richard H. Glazer, Esq.
31	May-16	Rogers House	ODOT - Deposition Only	Appropriation Case	Marvin A. Robon, Esq.
32	Jun-16	McDonald's, Carroll, OH	ODOT - Deposition Only	Appropriation Case	Mansour Gavin, LPA
33	Jan-17	Speedway, Carroll, OH	ODOT - Deposition Only	Appropriation Case	Mansour Gavin, LPA
34	Jun-17	3 Sweet Girls Cakery - LLP Properties vs. Village of Silverton	Hamilton County Court of Common Pleas	Appropriation Case	Barrett & Weber
35	Sep-17	St Joseph's Cemetery Association	ODOT - Deposition Only	Appropriation Case	Barkan & Robon
36	Sep-17	Green Acres Foundation v. City of Cincinnati	City of Cincinnati - Deposition	Appropriation Case	Barrett & Weber
37	Sep-17	McKenna vs. McKenna	Hamilton County - Family Law Services	Divorce Case	Greg Adams
38	Nov-17	Green Acres Foundation v. City of Cincinnati	Hamilton County Court of Common Pleas	Appropriation Case	Barrett & Weber
39	Nov-17	Village of Silverton v. LLK Properties	Deposition Only	Appropriation Case	Barrett & Weber
40	Jan-18	Various Owners (11) vs. Rover Pipeline	Deposition Only	Appropriation Case	Barkan & Robon
41	Jan-18	3 Sweet Girls Cakery - LLP Properties vs. Village of Silverton	Hamilton County Court of Common Pleas	Appropriation Case	Barrett & Weber
42	Aug-18	Rover Pipeline vs. Dush	Federal Court - Northern District of Ohio	Appropriation Case	Roetzel & Andress
43	Nov-18	Rover Pipeline vs. Northern Ohio Properties	Deposition Only	Appropriation Case	Barkan & Robon
44	Oct-19	Brackett Village vs. Hamilton County Auditor	Hamilton County Court of Common Pleas	Tax Appeal	C. Francis Barrett, Esq.
45	Oct-19	550 E. Court St. vs. Hamilton County Auditor	Hamilton County Court of Common Pleas	Tax Appeal	C. Francis Barrett, Esq.
46	Jan-21	Zettler vs. ODOT (Pending as of May 2023)	Hamilton County Court of Common Pleas - Deposition Only	Appropriation Case	C. Francis Barrett, Esq.
47	Jun-21	Speedway v. City of Blue Ash	Hamilton County Court of Common Pleas - Deposition Only	Appropriation Case	Roetzel & Andress - Steve Jones
48	Nov-21	Tim Herschner Properties vs. MSD	Hamilton County Court of Common Pleas	Appropriation Case	C. Francis Barrett, Esq.
49	May-22	Stapleton vs. KYTD	Boone County, KY - Common Pleas Court	Appropriation Case	Ryan Turner, Esq. - Dallas & Turner
50	Dec-22	Oakes vs. Oakes	Montgomery County - Family Law	Divorce Case	Isaac Wiles - Joanne Beasy & Matthew Rinear

Certification

I certify that, to the best of my knowledge and belief....

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three (3) year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*, the *Code of Professional Ethics*, and the *Standards of Professional Practice of the Appraisal Institute*.
- Eric J. Gardner, MAI, CCIM has personally viewed the exterior of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person(s) signing this certification.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representative.
- As of the date of this report, Eric J. Gardner, MAI, CCIM has completed the requirements of the continuing education program of the Appraisal Institute.



Eric J. Gardner, MAI, CCIM
Gardner Street Commercial Real Estate Group, LLC
State of Ohio Certified General Appraiser Certificate #419444

Assumptions and Limiting Conditions

This appraisal has been made with the following general assumptions:

1. The report is considered valid only for whom it was prepared and for the stated purpose and function.
2. That the term market value, as herein used, is defined proceeding in this appraisal report.
3. That the date of value to which the opinions expressed in this report apply is set forth in the letter of transmittal. The appraiser assumes no responsibility for economic or physical factors occurring at some later date that may affect the opinions herein stated.
4. That no opinion is intended to be expressed for legal matters or that would require specialized investigator knowledge beyond that ordinarily employed by real estate appraisers, although such matters may be discussed in the report.
5. That no opinion as to title is rendered. Data on ownership and the legal description were obtained from sources generally considered reliable. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.
6. That no engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.
7. That maps, plats, and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.
8. That no opinion is expressed as to the value of subsurface oil, gas, or mineral rights, and that the property is not subject to surface entry for the exploration or removal of such materials except as is expressly stated.
9. That the projections included in this report are utilized to assist in the valuation process and are based on current market conditions, anticipated short term supply and demand factors, and a continued stable economy. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect the future income or value projections.
10. That testimony or attendance in court or at any other hearing is not required by reason of rendering this appraisal unless such arrangements are made a reasonable time in advance.
11. Information contained in this report is assumed to be correct but is not guaranteed.

12. Possession of this report or any copy thereof does not carry with it the right of publication. Disclosure of the contents of this report is governed by the Bylaws and Regulation of the Appraisal Institute. Neither all nor any part of the contents of this Report (especially any conclusions as to value, the identity of the Appraiser or the firm with which the appraiser is connected, or any reference to the Appraisal Institute or to the MAI designation) shall be disseminated to the public through advertising media, public relations media, social media, news media, sales media or any other public means of communication, without the prior written consent and approval of GSCREG, LLC.
13. That, because no title report was made available to the appraiser, he assumed no responsibility for such items of record not disclosed by his normal investigation.
14. That no detailed soil studies covering the subject property were available to the appraiser. Therefore, premises as to soil qualities employed in this report are not conclusive but have been considered consistent with information available to the appraiser.
15. That the appraiser has personally inspected the subject property and finds no obvious evidence of structural deficiencies except as stated in this report; however, no responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, can be assumed without provision of specific professional or governmental inspections.
16. That no consideration has been given in this appraisal to personal property located on the premises, or to the cost of moving or relocating such personal property; only the real property has been considered.
17. That the appraiser is not qualified to detect the existence of potentially hazardous material which may or may not be present on or near the property, such as the presence of formaldehyde foam insulation, existence of toxic waste, or the existence of asbestos insulation. The existence of such substances may have an effect on the value of the property. No consideration has been given in our analysis to any potential diminution in value should such hazardous materials be found. We urge the client to retain an expert in the field before making a business decision regarding the property.
18. It is assumed any requirements under the Americans With Disabilities Act (ADA) for the subject property have been met. In the event any requirements are currently pending that would require modification to the existing structure, the appraiser reserves the right to amend this report and make any value adjustment considered necessary.
19. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report. Zoning laws are assumed to be stable. No responsibility is assumed for building code violations.
20. No responsibility is assumed for any architectural, structural, mechanical or engineering matters. All engineering is assumed to be correct. It is assumed that there are no hidden conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
21. The appraisal report may contain a valuation relating to the geographical portion of a larger parcel and the value reported for such portion plus the value of all other geographic portions may or may not equal the value of the entire parcel or tract when considered in its entirety.

22. Any value opinions provided in this report apply to the subject property as a whole, and any proration or division of the total into fractional interests will invalidate the value opinion, unless such proration or division of interests has been set forth in the report.
23. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
24. It is assumed that the site could be developed and/or utilized without severe limitations or restrictions due to any "wetlands" regulations, unless so noted.
25. Unless otherwise stated in the body of the report, the appraised value contained herein does not reflect any type of financing, if any, through PACE (Property Assessed Clean Energy) programs.
26. Our financial models, analysis and tables within our report are done using Microsoft Excel. Any columns that do not add or multiple precisely are due to slight rounding within Microsoft Excel.
27. The opinions in this report are stated to a reasonable degree of certainty. We reserve the right to conduct additional analysis upon review and consideration of additional documents and information and to supplement / revise or update this report as appropriate.

EXTRAORDINARY ASSUMPTIONS: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. This assignment **has been** premised on the following extraordinary assumptions.

1. In Scenario A, the Before situation, we have read and considered numerous plans and scenarios put forth by Lifestyle Communities (LC). These plans and scenarios include detailed cost and value calculations. It is our opinion that these calculations are market based and are considered to be commercially reasonable based on current market conditions as of the effective date of value. We are making the Extraordinary Assumption that LC is planning an investment within the range of \$240 to \$280 Million in the property. Based on commercially reasonable market standards for the risk and return for this type of development the expected market value within about four (4) +/- years from the start of construction would be within the range of \$340 to \$360 Million.
2. In lieu of the full damages calculated within this analysis, the damages could be significantly reduced by the City of Worthington by approving commercially reasonable zoning to allow for a Planned Unit Development (PUD) for a mixed-use project that is considered to be commercially reasonable, in demand and market based. This zoning would allow the ownership group to develop the property to current market tastes and standards that would meet the tests of financial feasibility and marketability and to serve and fill a need in the community.

HYPOTHETICAL CONDITIONS: A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in analysis. This assignment **has not been** premised on any hypothetical conditions.

Professional Qualifications

Eric J. Gardner, MAI, CCIM

Commercial Real Estate Appraiser


Positions	President, Partner Gardner Street Commercial Real Estate Group, LLC 9902 Carver Road, Suite 101 Cincinnati, Ohio 45242 Office Phone: (513) 880-9900 Mobile Phone: (513) 543-9992 E-Mail: egardner@gscreg.com	Real Estate Salesperson Edge Real Estate Group 128 E. 2 nd Street, Suite B Covington, KY 41011 Ohio File Number: SAL 2002001921 Broker: Michael Halonen
Experience	January 2020 to Present, President, Partner, Gardner Street Commercial Real Estate Group, LLC 2010 to 2019, Senior Vice President, Pillar Valuation Group, Inc. 2006 – 2010, Principal, Cassidy Turley/Colliers Turley Martin Tucker 1998 – 2006, Principal, The Gem Real Estate Group, Inc. 1992 – 1998, Appraiser, Property Advisors Corporation	
	Property Types	
	Retail	Multi-Family
	Office/Medical	Land
	Industrial	Special Use Properties
	Real Estate Expert Services Include	
	Market Value	Absorption Studies
	Financial Feasibility	Market Analysis
	Rental Analysis	Income and Expense Analysis
	Discounted Cash Flow Analysis	Before and After Market Values
	Expert Witness Testimony	
	As a qualified expert I have testified in Federal and State courts, as well as numerous Board of Revision and Ohio Board of Tax Appeal cases.	
	Property Tax Appeal Cases	Damages Cases
	Eminent Domain Cases	Divorce Cases
Geographic Coverage	As a Commercial Real Estate Expert I have performed assignments throughout the Midwestern United States. I have also coordinated and reviewed assignments in South America and Europe.	
Types of Clients	Fortune 500 Companies, Lenders (banks, life insurance companies, pension funds, conduits), Private Corporations, REITs, Developers, Investors, Legal and Financial Counsel, Governments, Economic Development Agencies, and Investors.	

Professional Qualifications

Eric J. Gardner, MAI, CCIM

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Community Leadership	NAIOP – Cincinnati/N. KY Chapter, President (2002) and Board Member (1995-2004) Appraisal Institute – Ohio Chapter, 2009 President and Board Member (2004-2010) Boy Scouts of America, Dan Beard Council, Board Member & Warren County District Chair (2021 – Current) St. Xavier High School, Career Connections, Mentor (2017 – Current)
Memberships	Ohio Chapter of the Appraisal Institute Ohio CCIM Chapter ICSC (International Council of Shopping Centers) University of Cincinnati, Real Estate Center, BEARE Board Member Cincinnati Area Board of Realtors, Member National Eagle Scout Association, Boy Scouts of America, Class of 1987
Speaking & Teaching Engagements	Lectured for numerous professional, business and community organizations on Commercial Real Estate, financing, eminent domain, tax appeals and related matters. University of Cincinnati, College of Business – Adjunct Professor, Department of Finance/Real Estate – Real Estate Principles; Real Estate Appraisal; Real Estate Development Courses.
Education	M.B.A., Major in Finance, University of Dayton – 1999 B.B.A., Major in Marketing and Management, University of Cincinnati - 1993
Designations/ Certifications	MAI-Member, Appraisal Institute #11560 – January 2000 CCIM – Certified Commercial Investment Member #10785 – May 2003 State of Ohio – Certified General Appraiser, #419444 State of Kentucky – Certified General Appraiser, #001670 State of Indiana – Certified General Appraiser, #CG40300441 State of Ohio – Real Estate Salesperson, #2002001921 State of Michigan – Certified General Appraiser, #1201007609
Continuing Education	Ohio, Kentucky, Indiana and Michigan require at least 14 hours per year of continuing education. The Appraisal Institute requires at least 20 hours per year of continuing education, with which I am current.
USPAP	I am current with all USPAP requirements and continuing education.

APPRAISER DISCLOSURE STATEMENT In compliance with Ohio Revised Code Section 4763.12 (C)
1. Name of Appraiser: Eric J. Gardner, MAI, CCIM, MRICS
2. Class of Certification/Licensure: <input checked="" type="checkbox"/> Certified General <input type="checkbox"/> Licensed Residential <input type="checkbox"/> Temporary <input type="checkbox"/> General <input type="checkbox"/> Licensed Certification/Licensure Number 419444
3. Scope: This report <input checked="" type="checkbox"/> is within the scope of my Certification of License <input type="checkbox"/> is not within the scope of my Certification or License
4. Service Provided By: <input checked="" type="checkbox"/> Disinterested & Unbiased Third Party <input type="checkbox"/> Interested & Biased Third Party <input type="checkbox"/> Interested Third Party on Contingent Fee Basis
5. Signature of person preparing and reporting the appraisal 
This form must be included in conjunction with all appraisal assignments or specialized services performed by a state-certified or state-licensed real estate appraiser.

State of Ohio
 Department of Commerce
 Division of Real Estate
 Appraiser Section
 Cleveland (216) 787-3100

